Canadian International Development Agency

Report on Plans and Priorities

For the period ending
March 31, 2012

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Abbreviations

CIDA	Canadian International Development Agency
DAC	Development Assistance Committee
DFAIT	Department of Foreign Affairs and International Trade
FSDS	Federal Sustainable Development Strategy
GNI	gross national income
HIV/AIDS	human immunodeficiency virus / acquired immunodeficiency syndrome
IAE	international assistance envelope
MDGs	Millennium Development Goals
MES	Multilateral Effectiveness Strategy
MNCH	Maternal, Newborn and Child Health
MOPAN	Multilateral Organisation Performance Assessment Network
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
PAA	program activity architecture
UN	United Nations

Message from the Minister

When our Government took office, we set out to make our international assistance more effective, focused, and accountable, so that we could achieve real results, and make a meaningful difference for people living in poverty.

Since then, the Canadian International Development Agency (CIDA) has made major changes that Canadians can be proud of.

CIDA's work is now guided by three thematic priorities: stimulating sustainable economic growth, securing a future for children and youth, and increasing food security. In the coming year, we will continue to apply these strategies to all of CIDA's policies and programming, as well as integrating our cross-cutting themes – equality between women and men, governance, and environmental sustainability – across the board.

The next year will also be vital for implementing Canada's Muskoka Initiative for Maternal, Newborn and Child Health (MNCH). We are focusing on countries that not only have high child and maternal morbidity and mortality rates, but have also demonstrated they can make progress in these areas. Canada is also leading international action on accountability for resources and results through the UN Commission on Information and Accountability for Women's and Children's Health.

As we move forward, CIDA continues to deepen its work in its 20 countries of focus, as well as assist other nations in a variety of ways, including providing humanitarian assistance and working closely with multilateral and non-governmental organizations. In Haiti, our work was set back by a major humanitarian crisis in 2010, but Canada remains firmly committed to supporting the reconstruction of that country, in accordance with its Government's plans and priorities.

In 2011-2012, the Agency will also be more effective in the way it does business. Last year, Canada streamlined the application process for Canadian partners and introduced an approach to increase the engagement of Canadians in international development. This included calls for proposals on Haiti, MNCH and the Partners for Development Program. This year, we are also going to implement our new Global Citizens Program, which will provide new ways for Canadians to get involved and increase their knowledge of Canada's international development work by focusing on public awareness, education and knowledge, and youth participation.

CIDA's plans for next fiscal year reflect our commitment to effective development. This means being effective, focused and accountable in all the work that we do.

These efforts and CIDA's many other initiatives are reflected in the Agency's 2011-2012 *Report on Plans and Priorities*, which I am pleased to table for Parliament's consideration.

The Honourable Beverley J. Oda, P.C., M.P.
Minister of International Cooperation

SECTION 1: DEPARTMENTAL OVERVIEW

1.1 Role and responsibilities

The mandate of the Canadian International Development Agency (CIDA) is to manage Canada's aid resources effectively and accountably to achieve meaningful, sustainable development results, and to engage in policy development in Canada and internationally, enabling Canada's effort to realize its development objectives.

CIDA's mission is to lead Canada's international effort to help people living in poverty.

Canada recognizes that achieving significant economic, social, democratic, and environmental progress in the developing world will have a positive impact on the prosperity and long-term security of Canadians, reduce poverty for billions of people in recipient countries, and contribute to a better and safer world.

1.2 Strategic outcome and program activity architecture

The structure of this Report on Plans and Priorities reflects CIDA's strategic outcome and program activity architecture (PAA), which place an emphasis on measurable results, as well as the new policy environment in which the Agency is operating.

Strategic outcome
Reduction in poverty for those living in countries in which CIDA engages in international development.

CIDA pursues poverty reduction mainly by focusing on stimulating sustainable economic growth, increasing food security, and securing a future for children and youth. Environmental sustainability, gender equality, and good governance are integral to these themes. To achieve poverty reduction, CIDA collaborates with a full range of national and international partners, including private, government, and non-governmental sectors and institutions.

The *Official Development Assistance Accountability Act*, which came into force on June 28, 2008, states that expenditures reported to Parliament as official development assistance (ODA) must contribute to poverty reduction, take into account the perspectives of the poor, and be consistent with international human rights standards. CIDA's new strategic outcome is in line with the intent of the Act.

CIDA's PAA has six program activities that support the achievement of the strategic outcome, providing an appropriate framework for CIDA to exercise its leadership in shaping international development assistance and policy within Canada and abroad. It also reflects how CIDA manages its activities based on shared objectives, risks, and programming approaches.

1.3 Planning summary

Financial resources (planned spending in thousands of dollars)	Human resources (full-time equivalents)
2011–2012	**2011–2012**
3,445,590	1,911

Strategic outcome: Reduction in poverty for those living in countries in which CIDA engages in international development.

Performance indicators

- Reduction in the percentage of population below the international poverty line of US$1.25 per day[1] of countries in which CIDA engages in international development.
- Progress toward the Millennium Development Goals (MDGs) in countries in which CIDA engages in international development.
- Increase in the value of the United Nations Gender-related Development Index[2] of countries in which CIDA engages in international development.

Program activity	Forecast spending 2010–2011 (thousands of dollars)	Planned spending 2011–2012 (thousands of dollars)	Alignment to Government of Canada outcomes
Fragile countries and crisis-affected communities	705,190	708,373	Global poverty reduction through sustainable development.
Low-income countries	906,299	935,930	Global poverty reduction through sustainable development.
Middle-income countries	416,600	355,550	Global poverty reduction through sustainable development.
Global engagement and strategic policy	1,122,111	1,026,430	Global poverty reduction through sustainable development.
Canadian engagement	302,623	309,369	Global poverty reduction through sustainable development.
Internal services	104,400	109,939	N/A
Total planned spending		3,445,591	

[1] A World Bank poverty ratio.

[2] An index that shows the inequalities between men and women by calculating the underweighted average of three indices: equally distributed life expectancy index, equally distributed education index, equally distributed income index.

1.4 Risk analysis

Development outcomes take a long time to become clearly visible. In the past two to three decades, progress toward key development outcomes has been generally positive although uneven, as trends below show:

- There is less poverty in the developing world today than a generation ago, but progress has been uneven across and within countries, and remains acute in fragile and conflict-affected countries. Between 1981 and 2005 the share of the population living below US$1.25 a day in developing countries was halved, dropping from 52 percent to 25 percent. That proportion is expected to be 15 percent by 2015.
- Historically, the number of undernourished people around the world has steadily increased, reaching its all time high of 1.02 billion in 2009. 2010 saw a slight decrease, due to improved access to food through economic growth in developing countries, and the lowering of food prices. However, as food prices rise again and near the levels that pushed the developing world into a food price crisis, it is likely that levels of global undernourishment will again approach, or even exceed, 1 billion people.
- The number of armed conflicts continues its long-term decline (from 38 in 1987 to 29 in 2010), although the risk of armed violence remains significant in countries and regions with high rates of poverty and poor development indicators.
- The number of children of primary school age who are out of school in developing countries has declined from 105 million in 1999 to 72 million in 2007, with the gender gap shrinking. However, girls are still less likely than boys to enrol and stay at school.

Although the long-term outlook is positive, international development gains remain inherently uncertain, particularly in the short term. Any number of significant political, economic, social, and environmental events, most of which are beyond the Agency's control, can threaten the attainment of development outcomes, and even reverse gains made.

To remain relevant in the present and future international development environment, CIDA must adapt to changes and conditions on the ground. Its success is closely linked to its capacity to monitor and adapt to global and regional developments, as well as its ability to manage risk.

CIDA continually assesses risks and develops appropriate responses. An important factor taken into consideration in its 2010 risk assessment is that large-scale, unanticipated changes may affect CIDA's ability to deliver on its mandate. In response, CIDA has renewed its policy framework to bring clear focus and direction to its development assistance. CIDA programs are now guided by three thematic priorities: increasing food security, securing a future for children and youth, and stimulating sustainable economic growth. In addition, the Agency has developed strategies for its 20 countries of focus and for its engagement with major multilateral organizations. It has integrated equality between women and men, governance, and environmental sustainability into all its programming and policies.

CIDA's fiduciary risk exposure—the risk that funds are misappropriated or mismanaged—is mitigated by strong controls and by working with a portfolio of diverse partners, many of which are low-risk international organizations. Pre-funding risk assessments are done systematically and CIDA has strengthened its audit function. CIDA is updating its policy on fiduciary risk assessment, and is rolling out a fiduciary risk evaluation tool to ensure that funds are well spent and that administrative requirements for funding recipients are proportionate to risk.

An important risk is human resource management. Any organization is only as good as the people it has. CIDA runs specific programs, such as the New Development Officers Program, aimed at recruiting promising employees upon graduation from university. The Agency has also instituted specific learning programs such as the Development Officer Learning Program and the Leadership Learning Program to ensure that staff is equipped with a solid knowledge of development issues and CIDA's priorities, programs, and processes.

Budget 2010 fulfilled Canada's commitment to double the international assistance envelope (IAE), the principal means by which Canada allocates foreign aid, bringing it to $5 billion in 2010–2011. With the achievement of this target, future IAE levels will be capped at this level and will be assessed alongside all other government priorities on an annual basis in the budget. CIDA will remain focused on ensuring that each aid dollar delivers concrete results and that the government can deliver on its international commitments, such as the Muskoka Maternal, Newborn and Child Health initiative and Canada's engagement in Haiti and Afghanistan.

CIDA priorities

The Agency's multiyear strategic plan aims to make it an international leader and partner in Canadian foreign policy; a highly respected development agency known for its effectiveness, efficiency, and sustainable results; an organization characterized by teamwork, excellence, and respect; and a catalyst that engages and mobilizes Canadians to maximize Canada's development impact.

Operational priorities	Type
Canada's strategic role in Haiti and Afghanistan	Ongoing
Increasing food security	Previously committed to
Securing a future for children and youth	Previously committed to
Stimulating sustainable economic growth	Previously committed to
Management priority	**Type**
Achieving management and program-delivery excellence	Previously committed to

Canada's strategic role in Haiti and Afghanistan

The January 12, 2010, earthquake in Haiti caused widespread devastation and suffering. In March 2010, Canada announced a commitment totalling $400 million over two years (2010–2012) for humanitarian assistance, early recovery, and the reconstruction and development of Haiti in support of the action plan and priorities of the Government of Haiti. Canada is a key member of the Commission intérimaire de la reconstruction d'Haïti and of the Fonds de reconstruction d'Haïti.

As part of Canada's whole-of-government engagement in Afghanistan, CIDA will deliver development assistance to advance the long-term and sustainable development of Afghanistan. On November 16, 2010, Canada announced its renewed engagement in Afghanistan for 2011–2014. CIDA will continue to invest in the future of Afghan children and youth through education and health programming. In support of Canada's G-8 commitments, CIDA will program in the area of maternal, newborn, and child health. CIDA will also provide humanitarian assistance and with the Department of Foreign Affairs and International Trade work to advance human rights. As committed by the Minister of International Cooperation, CIDA will place a specific focus on women and girls in all of its development programming in Afghanistan.

Increasing food security

On October 16, 2009, the Minister of International Cooperation outlined CIDA's Food Security Strategy[3] with the objective of addressing the extreme hunger and malnutrition of some of the world's most vulnerable people. The strategy focuses on three paths: sustainable agricultural development, food aid and nutrition, and research and development.

This new approach to increasing food security, combined with Canada's 2008 decision to untie 100 percent of its food aid budget, is helping communities address immediate food needs, and find solutions for lasting food security so they can rise out of the cycle of poverty. As part of the strategy, Canada's support for agriculture will focus on the production of smallholder farmers, particularly women farmers.

Securing a future for children and youth

On November 20, 2009, the Minister of International Cooperation announced CIDA's Children and Youth Strategy[4] to respond to the needs of the world's most vulnerable and help them to become resourceful, engaged, and productive young men and women. The strategy focuses on three paths: child survival, including maternal health; access to quality education; and safe and secure futures for children and youth.

In 2010, Canada led G-8 efforts in launching the Muskoka Initiative to improve and save the lives of mothers, newborns, and young children, and is now leading efforts to deliver results. Canada will concentrate its Muskoka Initiative efforts on strengthening health

[3] This strategy is available at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/NAD-31210472-LHX.
[4] This strategy is available at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JOS-312101022-KT2.

systems, improving nutrition, and preventing and treating severe illnesses and diseases. It has committed $1.1 billion over five years in new money to the initiative, and will maintain $1.75 billion in existing funding, for a total commitment of $2.85 billion over the next five years. Eighty percent of the new Canadian contribution will flow to sub-Saharan Africa. Canada will also support international organizations and Canadian non-governmental organizations to address high rates of maternal and child mortality in developing countries.

Canada is also leading international action on accountability for resources and results. Prime Minister Stephen Harper will co-chair, along with the President of Tanzania, Jakaya Mrisho Kikwete, the UN Commission on Information and Accountability for Women's and Children's Health. The Commission will agree on a framework that tracks whether maternal and child health results are being achieved and resources are being spent wisely and transparently.

Stimulating sustainable economic growth

On October 25, 2010, the Minister of International Cooperation announced CIDA's Sustainable Economic Growth Strategy,[5] which seeks to create long-term sustainable economic growth that will increase revenue generation, create employment, and lead to poverty reduction in developing countries. The strategy focuses on three paths: building economic foundations, growing businesses, and investing in people.

CIDA will focus on key targeted investments that directly support private sector led economic growth in developing countries. The outcomes of these investments will contribute to a stable foundation on which viable businesses and industries can thrive, increasing opportunities for employment in the formal economy for citizens and their contributions to the public resources available for investment in the welfare of the population. CIDA's strategy builds on Canada's own experience on sustainable economic growth, underscoring the importance of empowering women to participate in the economy, ensuring the environmental sustainability of economic activities and of adopting open trade and free markets governed by prudent policy and sound regulation.

Achieving management and program-delivery excellence

To increase the effectiveness and efficiency of CIDA's programming, the Agency will be strengthening its presence in the field and streamlining its business processes. Using a phased approach over three years, CIDA will decentralize its operations, including people, systems, infrastructure and authorities, to 15 countries of focus, drawing on earlier decentralization efforts and the experience of other donors.

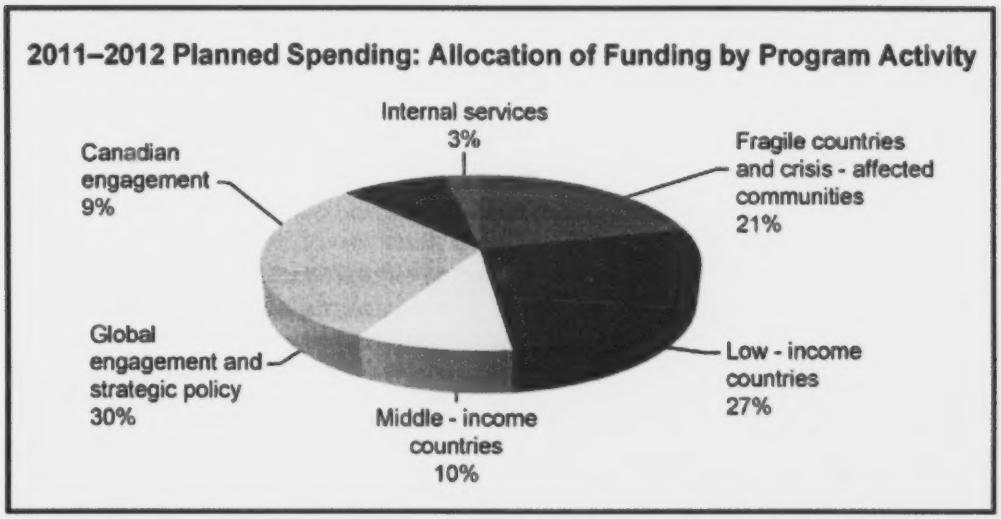
Gains expected from decentralization include strengthened country knowledge, improved policy dialogue with recipient countries, increased donor coordination, faster and more responsive interventions in fluid operating environments, and enhanced risk management capacity. The redesign of CIDA's business processes will increase administrative

[5] This strategy is available at http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAD-9241625-RHC.

efficiency by maximizing the use of common processes, thereby cutting costs and speeding up Agency-wide learning.

1.5 Expenditure profile

CIDA plans a budget of $3.446 billion[6] in 2011–2012 to carry out its program activities and contribute to its strategic outcome. The figure below displays the allocation of CIDA's planned spending by program activity.



CIDA's increase in budgetary spending of $280.7 million, or 8.9 percent, is due to an increase in grants of $160.6 million, an increase in contributions and other transfer payments of $121.5 million, and a decrease in operating costs of $1.4 million. Factors contributing to the net increase include:

- an increase of $211.6 million to support maternal, newborn, and child health programming activities in developing countries;
- an increase of $50 million for the establishment of a Crisis Pool Quick Release Mechanism to allow Canada to respond quickly to major unforeseen humanitarian crises; and
- a net increase of $17.4 million in the Encashment of Notes to International Financial Institutions due, in part, to Canada's increased commitment to the Global Environment Facility.

For information on CIDA's organizational vote and statutory expenditures, please see the 2011–2012 Main Estimates publication at http://www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/toc-tdm-eng.asp.

[6] Planned spending includes Main Estimates.

1.6 CIDA's contribution to the Federal Sustainable Development Strategy

The Federal Sustainable Development Strategy (FSDS)[7] represents a major step forward for the Government of Canada by including environmental sustainability and strategic environmental assessment as an integral part of its decision-making processes. Departments are asked to indicate which of the following four themes they contribute to:

- Theme I: Addressing Climate Change and Air Quality
- Theme II: Maintaining Water Quality and Availability
- Theme III: Protecting Nature
- Theme IV: Shrinking the Environmental Footprint – Beginning with Government

CIDA will contribute to the fourth theme. Additional information on CIDA's activities in support of this theme is provided in Section 2.6 of this report, "Internal services," as well as in the departmental Greening Government Operations table at http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp.

[7] For details on the FSDS, please visit http://www.ec.gc.ca/dd-sd/default.asp?lang=En&n=c2844D2D-1.

SECTION 2: PROGRAM ACTIVITIES

2.1 Fragile countries and crisis-affected communities

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
708,373	238
Expected results	**Performance indicators**
Enhanced responsiveness of humanitarian assistance to address the immediate needs of crisis-affected populations.	Canada's total spending on humanitarian assistance as a percentage of total funds requested by the United Nations and the International Committee of the Red Cross for humanitarian emergencies.
Increased effectiveness of public and civil institutions to respond to the needs of women, men, and children.	Average score of CIDA fragile countries progress toward achieving this result.
Hyperlinks to additional information	
Government site on Afghanistan at www.afghanistan.gc.ca CIDA fragile countries of focus (Haiti, Afghanistan, Sudan, and West Bank and Gaza) at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP Building Peace and Security for All at http://www.international.gc.ca/START-GTSR/women_canada_action_plan-plan_action_femme.aspx?lang=eng OECD-DAC Principles for Good International Engagement in Fragile States and Situations at http://www.oecd.org/dataoecd/61/45/38368714.pdf	

Program activity description

This program activity seeks to address developmental issues in selected countries identified as fragile or crisis-affected. Fragile countries are defined as those that face particularly severe development challenges with complex national and regional contexts given weak institutional capacity, poor governance, political instability, and ongoing violence or a legacy of past conflict. Improving the situation in these countries is frequently considered critical in meeting Canada's foreign policy objectives. CIDA's programming in these countries seeks to enhance long-term development by improving the effectiveness of public institutions and society, fostering stability and security, as well as supporting the delivery of key services. This program activity also involves humanitarian assistance in response to man-made crises or natural disasters to ensure the delivery of and access to essential emergency services to crisis-affected populations. In both cases, various partnerships offer flexibility and expertise to provide the most effective response.

Planning highlights

CIDA will continue to contribute to Canada's engagements in Haiti, Afghanistan, Sudan, and West Bank and Gaza. CIDA's substantial field presence in, and financial contribution

to, these priority fragile countries and regions address critical development needs and align with Canadian foreign policy objectives. In the field and at headquarters, CIDA is active in interdepartmental policy and operational coordination mechanisms with other government departments, including the Department of Foreign Affairs and International Trade (DFAIT), Department of National Defence, Privy Council Office, and Royal Canadian Mounted Police. Canada's whole-of-government approach will continue to contribute to the overall effectiveness of the various multinational operations underway in these countries in support of regional and global security and stability.

The year ahead will also mark the first year of "Building Peace and Security for All," Canada's new national action plan to implement United Nations Security Council resolutions on women, peace, and security. CIDA's efforts to deliver on this action plan will build on its existing policy on equality between women and men and its experience in protecting and promoting the participation of women in fragile states.

Internationally agreed principles provide a common framework for donors, partner governments, and civil society to deliver development and humanitarian assistance, enabling greater coherence and effectiveness. CIDA will continue to support the OECD-DAC Principles for Good International Engagement in Fragile States as well as the principles and practices of Good Humanitarian Donorship.

The need for humanitarian assistance is increasing due to the greater frequency and impact of weather-related natural disasters, and to complex humanitarian situations that continue to demand significant donor resources. This trend is expected to continue, and Canada uses various partnerships that offer flexibility and expertise in order to provide the most effective response.

Within this context, CIDA will work toward the results below.

Enhanced responsiveness of humanitarian assistance to address the immediate needs of crisis-affected populations

CIDA provides humanitarian assistance on the basis of need, and supports core lifesaving interventions that respond in a timely, effective, appropriate, and coordinated fashion. Based on established practice, CIDA will:

- fund experienced humanitarian partners to address the immediate humanitarian needs of crisis-affected populations, including food, water, health, sanitation, shelter, and protection, and also fund the coordination and logistics of humanitarian responses;
- provide multiyear funding to the International Committee of the Red Cross and the United Nations Central Emergency Relief Fund to promote more timely, predictable, and effective responses;
- deploy relief stocks and technical experts as needed; and
- advance more evidence-based and appropriate responses by funding the improvement of needs assessment tools.

Increased effectiveness of public and civil institutions to respond to the needs of women, men, and children

To reduce vulnerability and foster conditions for development in fragile countries and crisis-affected communities, CIDA will:

- support initiatives aimed at strengthening the capacity and legitimacy of public and civil society institutions to provide equitable access to services for their populations;
- ensure that support advances respect for human rights and the rule of law, equality between women and men, creation of employment opportunities, and greater accountability in public financial management;
- focus on its priority themes aimed at stimulating economic growth, increasing food security, and securing the future of children and youth;
- support initiatives and undertake actions to deliver on prevention, protection, and participation commitments to women, peace, and security; and
- support initiatives that promote greater participation of civil society in democratic processes, monitoring, and reporting, as a means to ensure accountability.

Canada's major missions in fragile countries

HAITI

The earthquake that struck Haiti in the heart of its capital, Port-au-Prince, and the cities of Léogane, Jacmel and Petit Goave on January 12, 2010, caused substantial human and infrastructure losses. The damage and loss have been estimated at US$8 billion, and the needs for the next three years will approach US$11.5 billion.

CIDA responded quickly and effectively to assist people affected by the earthquake by providing $150.15 million in immediate humanitarian assistance. The Agency's programming will continue to respond to the reconstruction and development priorities established by the Haitian government in its Action Plan for National Recovery and Development through Canada's $400-million commitment announced in March 2010. To meet those goals, the Agency conducted a comprehensive review of its programming in Haiti to ensure that it responded directly to the identified needs.

CIDA will continue its activities to enhance food security and ensure a better future for children and youth while increasing efforts to promote sustainable economic growth, strengthening Haitian government agencies, and responding to urgent needs. In particular, the Agency will:

- increase food security by facilitating access to credit and insurance for Haitian farmers, increasing productivity, protecting the environment, modernizing supply chains, and providing food aid;
- put greater emphasis on reducing child mortality and improving maternal health in Haiti, in line with Canada's G-8 commitments in Muskoka, by offering free basic health services to three million people, and building, rehabilitating, and providing equipment to maternal health clinics;
- foster economic development, particularly in rural areas, and generate employment by supporting entrepreneurial activities such as rehabilitating rural infrastructures, improving agriculture production and practices, and enhancing workers' skills through market-based technical vocational training; and
- maintain a policy dialogue and work with the Government of Haiti and the international community to improve coordination and promote good governance, notably through forums such as the Interim Haiti Recovery Commission and the Haiti Reconstruction Fund.

The environment will likely remain volatile as the country is vulnerable to natural disasters, epidemics, and political instability. It will be critical for the new parliament and government, with the support of the international community, to demonstrate an ongoing commitment to good governance as well as to the reconstruction and development of the country.

AFGHANISTAN

Afghanistan remains one of the world's least developed countries. Forty-two percent of people live in poverty, with a life expectancy at birth of 44.6 years. Afghanistan also ranks fourth to last in the world in terms of gender inequality. CIDA recognizes that there are immense developmental challenges ahead and supports the government's ability to deliver equitable access to better quality services.

CIDA's renewed commitment through and beyond 2011 will build on Canada's experience and investments in Afghanistan to date, and will continue to improve the lives of Afghans, through sustainable development. CIDA will focus on basic education; maternal, newborn, and child health; humanitarian assistance; and with DFAIT, work to advance human rights. These program areas align with the Afghan National Development Strategy 2008–2013 and the national priorities put forward during the Kabul Conference held in July 2010.

Education – Canada will continue to play a lead role in enabling the Government of Afghanistan to improve equal access to basic education for Afghans, especially for girls and young women. Canada will also continue to strengthen the ability of Afghan education institutions to deliver quality services, particularly through teacher training, to increase learning opportunities for girls and support future social development. CIDA will continue building upon successful efforts in community-based education.

Health – Afghanistan is one of CIDA's 10 targeted countries within the G-8 Muskoka Initiative (maternal, newborn and child health). Canada will provide support for programs to improve the health of mothers, newborns, and children younger than the age of five by improving MNCH services such as emergency obstetric care and outreach in hard-to-reach communities. CIDA will also continue to take a leading role in the efforts to eradicate polio in Afghanistan.

Humanitarian assistance – Afghans remain vulnerable to chronic food insecurity and natural disasters such as earthquakes and flooding. CIDA will continue support for food aid, non-food aid (such as water and sanitation, shelter, and health services), disaster management, and risk reduction to meet the immediate needs of the most vulnerable people affected by disasters and conflict, including internally displaced people, returnees, women, and children.

Human rights – Respect for the rights of Afghan citizens and equal access to institutions that uphold these rights is fundamental to Afghanistan's security, the Government of Afghanistan's accountability, and the strengthening of Afghan civil society. Canada will support organizations and initiatives that promote and protect human rights in Afghanistan, with a particular focus on women's rights.

CIDA will place a specific focus on women and girls in all of its development programming in Afghanistan, and will advance equality between women and men. These efforts will support Canada's new national action plan on women, peace, and security: Building Peace and Security for All.

2.2 Low-income countries

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
935,930	389
Expected results	**Performance indicators**
Improved access to services such as health, education, water and sanitation, food security, and economic opportunities for women, men, and children.	Average score of CIDA low-income countries of focus progress toward achieving this result.
Enhanced accountability and effectiveness of public and civil institutions to respond to the needs and aspirations of women, men, and children.	Average score of CIDA low-income countries of focus progress toward achieving this result.
Hyperlinks to additional information	
CIDA low-income countries of focus (Bangladesh, Ethiopia, Ghana, Mali, Mozambique, Pakistan, Senegal, Tanzania, and Vietnam) at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP	

Program activity description

This program activity focuses on addressing pervasive poverty in countries having an annual gross national income (GNI) per capita equivalent to US$995 or less (2009 World Bank data). This requires engagement in long-term development assistance supporting the national priorities of a selected number of low-income countries, as well as programming with some regional institutions addressing transboundary issues. CIDA's support aims to help these countries achieve their priority development goals that differ from country to country, and region to region. Programming aims at reducing poverty and increasing economic opportunities. It focuses on areas such as basic health and education, agriculture/food security, income generation, and the foundations for good governance.

Planning highlights

This program activity covers nine countries of focus (Bangladesh, Ethiopia, Ghana, Mali, Mozambique, Pakistan, Senegal, Tanzania, Vietnam), as well as regional programs and other countries where CIDA maintains a modest presence. These low-income countries are found in Africa and Asia, and include some of the world's poorest populations. In accordance with Canada's commitment to the principles articulated in the Paris Declaration on Aid Effectiveness (2005) and the Accra Agenda for Action (2008), CIDA has developed a strategy for each of its country and regional programs based on country needs (such as those identified in the national poverty reduction and development strategies). Strategies are also based on Canadian "value added" in the priority areas of sustainable economic growth, children and youth, and food security.

Within this context, CIDA will work toward the results below.

Improved access to services such as health, education, water and sanitation, food security, and economic opportunities for women, men, and children

To achieve this result, CIDA will:

- Address food security by increasing agricultural productivity and access to markets. For example, support key public and private institutions' capacities related to irrigation and marketing to enable farmers to increase local production and improve marketing, food security, and price stability in urban centres; and support subregional and pan-African agricultural research institutions to develop and disseminate new plant varieties and appropriate technologies to increase yields and incomes, and improve nutrition.
- Support education and health services that contribute to the well-being of children and youth. For example, establish programming to increase the capacity of the education system to deliver quality and equitable education; and extend the reach of essential health services, such as HIV/AIDS testing, to rural communities in a partnership with local governments and civil society.
- Support financial services and credit to small and medium-sized businesses, a major source of job creation and economic growth. For example, support regional micro-finance initiatives to provide new banking and insurance services to members of savings and credit institutions.

Enhanced accountability and effectiveness of public and civil institutions to respond to the needs and aspirations of women, men, and children

To achieve this result, CIDA will:

- Provide technical assistance and capacity-building support to core government ministries and independent governance institutions for the development and monitoring of government policies and programs. For example, support public sector reform initiatives to improve the delivery of public services, strengthen the civil service, and decrease the level of corruption in public institutions.
- Promote increased accountability and capacity of local governments to develop plans and strategies to address their development priorities. For example, provide resources to municipal and district assemblies for the implementation of local development plans based on results reported in published annual assessments of their performance.
- Increase the effectiveness of oversight and democratic institutions. For example, provide capacity-building and technical assistance and support to democratic institutions to improve their accessibility and effectiveness.

2.3 Middle-income countries

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
355,550	149
Expected results	**Performance indicators**
Strengthened citizen participation in their country's social and economic progress.	Average score of CIDA middle-income countries of focus progress toward achieving this result.
Increased accountability and effectiveness of public and civil institutions to sustain social and economic progress.	Average score of CIDA middle-income countries of focus progress toward achieving this result.
Hyperlinks to additional information	
CIDA middle-income countries of focus (Bolivia, Colombia, Honduras, Indonesia, Peru, Ukraine, and includes the Caribbean Regional Program) at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/JUD-51895926-JEP	

Program activity description

This program activity focuses on addressing specific challenges in attaining self-reliance for countries having a GNI per capita equivalent to more than US$996 but less than US$12,195 (2009 World Bank data). It involves strategic assistance in a select number of middle-income countries, as well as programming with regional institutions addressing transboundary issues. These countries vary considerably in terms of their development needs. CIDA programming is tailored to respond to national priorities and development challenges to ensure basic services reach marginalized populations. Programming aims to build the foundation for sustainable and inclusive economic growth and accountable, democratic institutions.

Planning highlights

This program activity covers seven countries of focus (Bolivia, Colombia, Honduras, Indonesia, Peru, and Ukraine, and the Caribbean Regional Program), as well as regional programs and other countries where CIDA maintains a modest presence. These middle-income countries/regions often have stark disparities along geographic, gender, ethnic, or urban-rural lines, as well as pockets of deep poverty. They also often face common challenges such as a lack of administrative capacity, corruption, inequitable access to key services, and respect for human rights. While generally on target to meet many MDGs, targeted assistance is required to ensure progress is sustainable and inclusive, and to meet other development needs such as access to education and health services. To address these issues, CIDA has developed a strategy for each of its country and regional programs based on country needs and Canadian "value added" in the priority areas of sustainable economic growth, children and youth, and food security. The Agency is also

developing a policy framework for middle-income countries to guide program priorities. As five of the middle-income countries or regions are in the Americas, CIDA also supports Canada's Americas Strategy to promote basic democratic values, strengthen economic linkages, and meet new security challenges.

Within this context, CIDA will work toward the results below.

Strengthened citizen participation in their country's social and economic progress

To achieve this result, CIDA will:

- Enhance the financial viability, productivity, and competitiveness of micro, small and medium-sized private sector enterprises, resulting in increased employment opportunities for the poor. For example, provide small and medium-sized enterprises with training and business-development support services, and engage in systemic interventions in the areas of agriculture, enterprise development, savings and credit, and community development.
- Ensure women, men, girls, and boys are all able to contribute to, and benefit from, the development of their societies. For example, provide access to micro-finance systems and skills training for micro-entrepreneurship, quality basic education for girls and marginalized children, and vocational and entrepreneurial skills for youth and women.
- Improve protection, security and access to justice for vulnerable populations, especially children and youth. For example, train government and non-state actors in children and youth rights to assist in the development and delivery of programs and policies that meet the needs of vulnerable populations.

Increased accountability and effectiveness of public and civil institutions to sustain social and economic progress

To achieve this result, CIDA will:

- Improve the capacity to deliver vital services such as education and health. For example, train and support government and non-governmental actors in the areas of prenatal and postnatal services, water and sanitation services, early childhood development, and quality primary education.
- Improve public financial management and government capacity to formulate and implement policies, regulations, systems, and services. For example, support authorities to implement strategies that foster competitiveness and economic growth.
- Strengthen agriculture production, diversification, and sustainable management to promote food security and sustainable economic growth. For example, assist farm producers to increase their productivity through innovative and environmentally friendly agricultural practices, strengthened value chains, and improved market access.

2.4 Global engagement and strategic policy

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
1,026,430	194
Expected results	**Performance indicators**
Increased effectiveness of Canadian development cooperation as a result of engagement with multilateral and global organizations to address development challenges.	Evidence of organizational and development effectiveness of multilateral and global organizations.
Increased ability to advance Canada's development priorities in Canada and globally.	Evidence of Canadian influence (e.g., G8 summits, OECD-DAC, the media) to advance Canadian priorities on international development. Integration of development considerations in other Canadian policies that have an impact on development (e.g., foreign, defence, environment, and immigration).

Program activity description

This program activity focuses on achieving development and humanitarian results, and advancing Canadian priorities, by engaging with multilateral and global development organizations and by influencing partners' policies, planning, strategic directions, and organizational governance. It also shapes international development policy in Canada and globally in support of CIDA's strategic direction, and Canada's international assistance objectives and commitments.

Planning highlights

CIDA provides funding to multilateral and global development organizations so that they deliver services that generate concrete results on the ground. CIDA's partners include health organizations such as the GAVI Alliance, humanitarian assistance organizations such as the World Food Programme, international financial institutions, and the UN development agencies.

CIDA's engagement with multilateral and international organizations enables Canada to contribute to global efforts to reduce poverty and improve the lives of people across a wide range of countries and sectors. These partnerships also provide effective ways for Canada to contribute to the strengthening of multilateral and international institutions to address humanitarian and development challenges.

International outreach and dialogue occur bilaterally with donors and other partners and in multilateral forums to discuss humanitarian and development policy issues and approaches.

CIDA's engagement with other partners is key to enhancing its own aid effectiveness and advancing Canada's development agenda.

Within this context, CIDA will work toward the results below.

Increased effectiveness of Canadian development cooperation as a result of engagement with multilateral and global organizations to address development challenges

The Government of Canada is committed to making its international assistance as effective as possible through greater efficiency, focus, and accountability for results. This includes ensuring that CIDA's multilateral and global programming and partnerships are effective in contributing to the achievement of real results on the ground and remain in line with Canadian priorities for international assistance.

A review of multilateral partners receiving institutional support was conducted by the Agency in 2008–2009 and found that CIDA's core funding is highly focused (with 95 percent of core funding going to 15 organizations). Building on this review, the Agency developed a Multilateral Effectiveness Strategy (MES) with specific institutional strategies to strengthen results with key multilateral partners for the period 2010–2013.

The MES outlines the principles that will guide engagement with the multilateral system, as well as strategic objectives for strengthening multilateral effectiveness. The institutional strategies include specific objectives related to CIDA's efforts to increase the effectiveness of the operations and programming of each organization. During 2011–2012, it will be a priority for the Agency to implement these strategies.

Increased ability to advance Canada's development priorities in Canada and globally

CIDA's international engagement strategy for 2011–2012 is three-pronged:

- building support for Canadian priorities and initiatives related to development, including actively engaging at key international forums in consultation with other government departments and Canadian civil society organizations;
- consolidating relationships with other donors to identify opportunities for joint initiatives and increased donor coordination and accountability, and enhance Canadian and international aid/development effectiveness; and
- engaging emerging donors on various international assistance issues.

In 2011–2012, CIDA will prepare for the OECD-DAC Peer Review of Canada's development policies and programs in May 2012. The Agency will also seek to influence the review of the OECD's wider development efforts, including the initiatives aimed at strengthening coherence and accountability for development. To do so, CIDA will implement its own DAC engagement strategy in support of Canada's international assistance priorities.

Furthermore, CIDA will participate in the Fourth High Level Forum on Aid Effectiveness, to be held in South Korea in November 2011. This will be an opportunity for development actors to assess progress on aid effectiveness commitments, and identify how the international community can better work together to achieve stronger results. CIDA will engage in stocktaking activities such as the 2011 Paris Declaration Monitoring Survey.

2.5 Canadian engagement

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
309,369	134
Expected results	**Performance indicators**
Improved delivery of services such as health and education to marginalized women, men and children through Canadian organizations and local partners.	Proportion of women and children accessing services such as health and education in marginalized communities.
Increased awareness of international development issues and participation in Canada's international development efforts.	Value of human and financial resources mobilized by Canadian partners.

Program activity description

This program activity focuses on enabling a wide range of Canadians and Canadian organizations to contribute to and support Canada's international development efforts. CIDA does this by co-investing through various delivery mechanisms. In turn, these organizations partner with developing-country counterparts to deliver programs and services in support of CIDA's strategic outcome. Public engagement in Canada is achieved through education and outreach activities that involves others such as Canadian civil society, academic institutions, and professional associations, as well as through CIDA's own efforts to inform Canadians.

Planning highlights

CIDA supports the work of Canadian organizations dedicated to improving the lives of those living in poverty in developing countries. They deliver goods and services as well as promote innovative and transformative changes that address the underlying causes of poverty. As part of making its assistance more effective, CIDA has introduced two new programs. The Partners for Development Program leverages the development expertise and initiative of Canadians by funding the most meritorious international development proposals put forward by Canadian organizations. The Global Citizens Program engages Canadians and international representatives in international development through a range of activities falling in the categories of awareness raising, knowledge and education, and youth participation.

Within this context, CIDA will work toward the results below:

Improved delivery of services such as health and education to marginalized women, men and children through Canadian organizations and local partners

CIDA harnesses the innovation and expertise of Canadian organizations to maximize Canada's development impact in economic growth, food security, and children and youth by:

- supporting short-term initiatives that focus on the reconstruction of Haiti;
- supporting initiatives that focus on improving maternal, newborn, and under-five child health in developing countries under Canada's Muskoka Initiative;
- aligning 80 percent of new partnership investments to CIDA's three priority themes;
- concentrating half of new partnership funding on CIDA's 20 countries of focus, with the other half going to ODA-eligible countries where Canadian organizations can help meet a specific need;
- focusing on results-oriented and risk-managed development programming;
- undertaking evidence-based research and policy development through support for knowledge partners and universities; and
- strengthening accountability for results through rigorous performance measurement while using evaluations to promote learning on best practices.

Increased awareness of international development issues and participation in Canada's international development efforts

Continued support and engagement of Canadians in international development are vital for effective, long-term, development. They enable developing countries to benefit from a broad range of expertise and resources to implement effective aid initiatives. Key strategies to engage Canadians more effectively include:

- increasing public awareness of Canada's development efforts by showcasing best practices in international development and bringing young leaders from developing countries to meet Canadians;
- deepening knowledge and sharing expertise among citizens, aid organizations, and governments on development challenges and results; and
- engaging Canadian and developing-country youth, including Aboriginal youth, through targeted programming such as school twinning, youth internships, and linking youth from developing countries to Canadian expertise.

2.6 Internal services

Planned spending and human resources for 2011–2012	
Planned spending (thousands of dollars)	**Full-time equivalents**
109,939	807

Program activity description

This program activity provides support services to CIDA programming for the delivery of the Canadian aid program. It includes governance and management support, resources-management services, and asset-management services.

Planning highlights

CIDA has identified the following management priority.

Achieving management and program-delivery excellence

In 2011–2012, the Agency will implement the key elements of its Business Modernization Initiative. The initiative is focused on achieving management and program delivery excellence by decentralizing more functions to the field, re-engineering business processes, and developing a workforce model to operationalize these processes in a sustainable manner.

To ensure the effective implementation of decentralization, CIDA will align resources where they can be most effective in managing risk and attaining results. This will entail:

- finalization of implementation plans by branch, region, and country, with a focus on an integrated "whole of agency" approach; and
- development of processes, protocols, and supporting systems (fiduciary, human resources, and information management and technology) to enable its operations to be managed from the field.

Major business process goals for 2011–2012 include:

- completing the development of the first wave of directive projects (those that are designed by CIDA and result in competitively established contracts) using a re-engineered, streamlined process with a team approach, and program and financial quality assurance embedded throughout; and
- developing a common core process for all Agency programming modalities, with the objective of reducing costs in staff time, turnaround time to deliver, and training. Additionally, such an approach will speed up Agency learning and adjustment over time to innovate and develop best practices.

The overall objective is to ensure that CIDA's business processes are faster, more efficient, and cost-effective while strengthening the effectiveness and responsiveness of CIDA's development programs overseas. In addition, fully implementing integrated

business planning will establish the foundation for the more effective and efficient use of scarce resources going forward. It will allow CIDA to have a more comprehensive tool to measure the costs of delivering programs, monitor and report on results, and to be able to shift resources in response to changing priorities.

Finally, achieving management excellence includes the greening of operations. To that end, CIDA has established targets with respect to the Federal Sustainable Development Strategy's Theme IV: Shrinking the Environmental Footprint – Beginning with Government. Overall, these targets cover two areas: (1) green procurement, and (2) e-waste, printing units, paper consumption, and green meetings.[8]

[8] For additional details on CIDA's contribution to theme IV, please see the departmental Greening Government Operations table at http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp.

SECTION 3: SUPPLEMENTARY INFORMATION

3.1 Financial highlights

(in thousands of dollars)

Condensed statement of operations for the year (ended March 31)	% Change	Future-oriented 2011-2012	Future-oriented 2010-2011
EXPENSES			
Total expenses		$3,676,710	NA
REVENUES			
Total revenues		$191,633	NA
NET COST OF OPERATIONS		$3,485,077	NA

Grants, contributions, and other transfer payments comprise 93 percent of total expenses of the Agency. Included in the 2011–2012 expenses are: Canada's contribution to the G-8 Maternal and Child Health initiative of $211.6 million, and general capital increases of $84.3 million under the *International Development (Financial Institutions) Assistance Act,* which was established to respond to the global economic crisis and to the longer-term needs in Africa, Asia, and the Americas.

CIDA's future-oriented financial statements are available at http://www.acdi-cida.gc.ca/INET/IMAGES.NSF/vLUImages/Financial%20Statements/$file/FutureOrientedStatementOfOperations-e.pdf.

3.2 List of supplementary information tables

The following tables can be found on the Treasury Board Secretariat website at http://www.tbs-sct.gc.ca/rpp/2011-2012/info/info-eng.asp:

- sources of non-respendable revenue
- details on transfer payment programs
- user fees
- greening government operations
- upcoming internal audits
- upcoming evaluations

The following item of interest can be found on the CIDA website:

- CIDA plan on transfer payment programs at http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/ANN-623151454-QKV

3.3 Other information

Contact information

For additional information about CIDA programs, activities, and operations, please visit the Agency's website at www.acdi-cida.gc.ca or contact:

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Legislation administered

Order-in-Council P.C. 1968–923 of May 8, 1968, and P.C. 1968–1760 of September 12, 1968, designate CIDA as a department for the purposes of the *Financial Administration Act*. The authority for the CIDA program and related purposes is found in the *Department of Foreign Affairs and International Trade Act,*[9] in *the Official Development Assistance Accountability Act,*[10] and in annual appropriation acts. CIDA is the lead government organization responsible for Canada's development assistance.

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[9] To read the statute, visit http://laws.justice.gc.ca/en/E-22/FullText.html.

[10] To read the statute, visit http://laws.justice.gc.ca/en/O-2.8/FullText.html.